



**Federal Aviation
Administration**

**Russ Chew 1-800-FAA-NEWS Phone Message
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Hello, this is Russ Chew with this week's update for December 16.

Two weeks ago, we announced the restructuring of our ATO administrative and support services in our three ATO service areas; and this week, the Transition Team completed their first round of briefings about the restructuring in all nine regions. Since then, we've received many thoughtful comments from concerned employees. Many of you asked how the three locations were chosen. This information is now available on our website: www.ato.faa.gov, with answers to this and many other basic questions.

We also received letters requesting more information about early outs – would voluntary early retirement authority be offered, to whom, and when? We will have these answers for you very soon. In the meantime, the transition team is now working through the detailed HR and LR processes that must be done to execute this plan. This work will culminate in another round of face-to-face briefings in all of the affected regions early this spring.

I can tell from the letters we've received the timing of the relocations is a big concern. I know this is not an easy time for our employees facing relocation, as I've personally been through this and I know how disruptive it can be to you and your family. Many are asking whether you be given plenty of time to relocate your families before the start of the school year? The short answer is "yes." We will do everything we can to make this move as easy as possible for you and your families. I want to thank all of you for writing with your questions and concerns. Please bear with us just a little longer and your questions will be answered.

This week I presented our annual update briefing to the congressional staff, in which I summed up the ATO's 2005 fiscal year results. I'd like to take a minute to share these with you – after all – without your ideas, energy and efforts, the ATO would be nothing more than a set of plans.

So, here are things we should be proud of. We implemented Domestic Reduced Vertical Separation Minima on schedule, we set up Required Navigation Performance at six sites, and we completed the Advanced Technologies and Oceanic Procedures Program in New York and Oakland. These are the major accomplishments directly impacting the National Airspace System; and though we're still waiting for the final audited financial numbers, our preliminary estimates indicate that we also significantly improved the value of those services, by hitting our targets in both productivity and unit cost.

These are not easy to meet, and I know there's still a lot of turmoil and concern about fixing our processes that are still broken; particularly in HR, LR, and the new personnel and payroll system, FPPS. Yes, we still have a long way to go; but you should all be proud of what you achieved in 2005 together – and that means everyone -- controllers, technicians, engineers, specialists, management and staff. Each of you plays an important and essential role in meeting our goals.

Though it may be hard for some to understand – or accept -- we are heading in the right direction. In 2005, we better managed our capital programs: 92 percent of our schedule goals were met, and 97 percent of our acquisition programs met their budget goals. In the financial arena, we reduced the ATO's non-salary spending by \$75 million, and reduced our overall costs by more than 3 percent. Without those savings, we would have had to reduce our headcount numbers even more to fund the pay raises that make up the lion's share of our requested budget increases.

But 2006 is shaping up to be an even more challenging year. While we're finally released from the continuing resolution spending restrictions; it's likely that a government-wide budget rescission is ahead, so it is even more critical than last year that we continue to reduce our costs. We must work harder to prove that we can manage our finances, meet the goals we set, and back up our budget requests with solid data – if we expect taxpayers to fund what we say we need today to run the operation, and to invest in new technologies that will help to make us more efficient and provide better service in the years ahead.

Having said that, we also have areas for improvement. At this week's monthly Flight Plan review, we are missing our goal in Category A&B Operational Errors, or OE's. However, part of the reason OEs are up is because of better self-reporting and random audits of radar and other data. While we would like our metric to be green, our basic goal is to improve the level of safety risk in the system, and better reporting is very important to finding out where the problems are.

We are also missing our goal in the Airport Average Daily Capacity metric. This measure is nothing more than adding up the arrival and departure rates that we call at our airports every hour of every day. It looks like runway construction is having a significant impact on our ability to hit our targets here. Even in places where we have recently opened new runways, we find that the other runways are being closed at those same airports for maintenance or rehab, which are delaying the capacity benefits.

Speaking of goals, let's not lose sight of our humanitarian goal of providing help for those in need. The Combined Federal Campaign has been extended again through the end of this year. So far, we in the Air Traffic Organization are still well below the goals we set for ourselves. To those of you who have contributed, I express my sincere thanks and appreciation.

In closing, I like to recognize employee contributions to the organization and our customers. Choosing such a person is easy when their efforts and sacrifice clearly stand head and shoulders above the crowd. But this year, it wasn't just one individual who rose to that level. It was the entire ATO. Accordingly, I again extend my heartfelt thanks and recognition to everyone in Flight Services. Although many are now providing this service through Lockheed-Martin, they are still an important part of our operational services.

That's it for this week. Thanks for listening, and I'll talk to you again next week.